



# COMMONWEALTH of VIRGINIA

Virginia Employment Commission

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For Release: May 17, 2005

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## **March-to-March Virginia Job Increase is 77,300, or 2.2 Percent**

**—March 2005 nonfarm employment level rises to 3,612,600—**

**RICHMOND**—March 2005 saw another good period of job growth in Virginia with 77,300 jobs added over March 2004 to a current nonagricultural employment level of 3,612,600 and an average 12-month growth rate of 2.2 percent being recorded. Annual job gains were coming from a still very strong professional and business services sector, a booming construction industry, and hires in the health care field. Virginia job growth at a 2.2 percent annual rate of increase for March 2005 continued to outpace the nation where jobs grew at a 1.7 percent rate in the same 12-month period.

### **Industry Growth**

*(Using the North American Industry Classification System [NAICS],  
which was instituted nationwide with the 2002 benchmarks in 2003)*

Professional and business services had the best March annual improvement, with a 26,200, or 4.6 percent, job gain to a level of 589,900. This industry provided a third of the state's job growth this period and was the powerhouse behind Virginia's overall good performance. The best of these gains were in the high-pay subcategories of computer systems design, up 5,400, or 5.3 percent; architectural and engineering services, up 4,800, or 8.5 percent; professional employment service providers, up 2,400, or 3.9 percent; and management consulting and scientific research, up 1,300, or 3.0 percent.

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Construction employment added the second-most jobs on an annual numerical basis with 11,400, or 5.1 percent, more workers being added to payrolls for a record level for the month of March of 232,800. This record job level for this industry was reached in spite of lots of rain and unusually cold temperatures for March delaying some outside painters and paving contractors from getting back to full springtime operations. Helping to boost construction job levels were developers and builders rushing projects to get ahead of rising financing costs and renovations and preparations already underway for the 400<sup>th</sup> anniversary of Jamestown to be celebrated in Virginia in 2007.

Employment in private education and health care expanded 10,100, or 2.6 percent, to a level of 393,100 as the peak of the health care season boosted health care practices, hospitals, and nursing facilities 7,500, or 2.5 percent; and private schools, still staffing for the spring semester, added 2,600, or 3.2 percent.

The trade industry grew 9,700, or 1.9 percent, to a job level of 527,100, aided by shopping for 2005's early, March 27, Easter holiday. Mergers and consolidations, however, did cause an annual job level reduction of 3,400, or 5.6 percent, at grocery stores.

Total government employment was up 7,100, or 1.1 percent, to a level of 662,500 as the public school systems were still staffing for the second semester and there were hires at federal defense installations. Subsector annual gains were 4,600, or 1.3 percent, in local government; 1,900, or 1.3 percent, in federal government; and 600, or 0.4 percent, in state government.

The financial sector grew by 4,300, or 2.3 percent, to a total of 190,300 with most all subsectors, except consumer credit lenders, adding workers. Real estate with a 2,100, or 3.8 percent, gain had the most prominent subsector increase.

Transportation, warehousing, and utilities added 4,100 jobs, or 3.5 percent, to a March 2005 level of 120,000. Trucking and the ports were expanding with the economy.

Miscellaneous services with a job total of 181,400 expanded 3,100, or 1.7 percent, with repair shops, personal services, and charity organizations all adding workers.

The leisure and hospitality industry saw the start of the spring travel season with 1,800 jobs, or 0.6 percent, added to a level of 306,600.

# NONFARM EMPLOYMENT IN VIRGINIA\*

(Using NAICS categories)

Industry	March 2005	March 2004	Change	
			Number	Percent
<b>Total Nonfarm Jobs</b>	3,612,600	3,535,300	+77,300	+2.2
<b>Mining</b>	10,000	10,200	-200	-2.0
<b>Construction</b>	232,800	221,400	+11,400	+5.1
<b>Manufacturing</b>	297,800	298,000	-200	-0.1
<b>Trade</b>	527,100	517,400	+9,700	+1.9
<b>Transportation, Warehousing, and Utilities</b>	120,000	115,900	+4,100	+3.5
<b>Information</b>	101,100	101,200	-100	-0.1
<b>Finance, Insurance, and Real Estate</b>	190,300	186,000	+4,300	+2.3
<b>Professional and Business Services</b>	589,900	563,700	+26,200	+4.6
<b>Private Education and Health Services</b>	393,100	383,000	+10,100	+2.6
<b>Leisure and Hospitality Services</b>	306,600	304,800	+1,800	+0.6
<b>Miscellaneous Services</b>	181,400	178,300	+3,100	+1.7
<b>Total Government</b>	662,500	655,400	+7,100	+1.1
<b>Federal Government</b>	152,000	150,100	+1,900	+1.3
<b>State Government</b>	148,300	147,700	+600	+0.4
<b>Local Government</b>	362,200	357,600	+4,600	+1.3

\*Current month's estimates are preliminary.

March saw three major industrial sectors—information, mining, and manufacturing—experience minimal losses.

Information was down 100, or 0.1 percent, to 101,100 as telecommunications continued to experience losses from mergers and consolidations.

Mine employment at 10,000 was 200, or 2.0 percent, lower because of a mine fire at a sizeable operation.

Manufacturing, which has been marginally positive for several months now, turned barely negative in March with a 200, or 0.1 percent, loss, bringing its employment level to 297,800. Durable goods manufacturing added 5,800 jobs, or 3.5 percent, with good gains of 2,200, or 5.6 percent, in vehicles and vehicle components and 1,100, or 5.2 percent, in shipbuilding. Nondurable goods manufacturing, however, was down 6,000, or 4.5 percent, with textile mills, down 1,700, or 13.9 percent, having the greatest reduction.

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### **Job Growth Detail by Metropolitan Area (March 2004 to March 2005)**

Northern Virginia, the state's largest metropolitan area, with its rapidly expanding professional and business services sector, continued to provide nearly three quarters of the state's job gain. The three metro areas with state college-dominated employment bases—Blacksburg-Christiansburg-Radford, Charlottesville, and Harrisonburg—all saw fairly strong percentage job growth this period, especially Blacksburg-Christiansburg-Radford. Winchester, Virginia/West Virginia and Roanoke also were seeing mid-two percent job expansion. The Danville area, which continues to experience factory job losses, was the only metropolitan area to register negative employment growth. Unfortunately, in the three new recently added metro areas and in some of the other smaller metro areas, there are now more industries that are *unpublishable* because of the sample size and one-employer industries.

- **Blacksburg-Christiansburg-Radford**—up 7.0 percent, or 4,600, to 70,400. In this new metropolitan area, total government, which with the two large state educational institutions of Virginia Tech and Radford University, is the dominant employer, saw 20.9 percent, or 3,400, job growth. This added to the 8.8 percent, or 4,300, service-providing industry growth of which it is a part; but trade/transportation lost 300 jobs. Manufacturing gains of 300 were responsible for the goods-producing increase.
- **Northern Virginia**—up 4.7 percent, or 56,800, to 1,253,000. Northern Virginia had the best growth this month on a numerical basis and accounted for 73.5 percent of statewide job growth for this period. Northern Virginia is one of the best job markets in the country because of its rapidly expanding professional and business services sector, which from March to March grew 5.4 percent, or 16,000. This sector in this area accounted for a fifth of statewide job growth. Also there were good gains in trade/transportation, up 5.4 percent, or 10,700; leisure/hospitality, up 7.2 percent, or 7,400; total government, up 3.1 percent, or 6,100; construction, up 7.0 percent, or 5,700; and private education/health care, up 5.0 percent, or 5,300. Also adding jobs were finance, up 4.2 percent, or 2,800, miscellaneous services, up 4.6 percent, or 2,700; and manufacturing, up 3.7 percent, or 1,000. Information was down 400 because of telecom losses.
- **Harrisonburg**—up 2.8 percent, or 1,700, to 61,600. The new Harrisonburg area had service-providing gains of 5.0 percent, or 2,100, of which total government accounted for 600 and trade/transportation accounted for 300. Factory employment was down 7.3 percent, or 1,000, so this caused a 400 net loss in the goods-producing industries.
- **Winchester, Virginia/West Virginia**—up 2.6 percent, or 1,400, to 54,900. The service-providing industries in the new Winchester, Virginia/West Virginia area had an increase of 2.5 percent, or 1,000, which was made up of smaller increments of 400 in total government, and 200 each in trade/transportation, private education/health care, and the nondisclosable service industries. The goods-producing industries also added 400 jobs.

- **Roanoke**—up 2.5 percent, or 3,900, to 159,400. The Roanoke area’s best gains were 7.0 percent, or 1,500, in private education/health care and 7.3 percent, or 1,400, in professional/business services. There also were increases of 800 in leisure/hospitality, 700 in manufacturing, 600 in finance, and 100 in miscellaneous services. There were losses of 600 in total government, 400 in trade/transportation, and 200 in information.
- **Charlottesville**—up 2.2 percent, or 2,000, to 92,900. Charlottesville had an increase in the service-providing industries of 2.1 percent, or 1,700, which was further broken down into gains of 700 in professional/business services, 600 in total government, and 400 in trade/transportation. The goods-producing industries also added 300 jobs, mostly in construction.
- **Richmond**—up 2.0 percent, or 12,100, to 610,500. The Richmond area’s best increases were 4.8 percent, or 3,100, in private education/health care; 6.2 percent, or 2,900, in leisure/hospitality; 6.0 percent, or 2,400, in construction; 2.0 percent, or 2,300, in total government; 1.4 percent, or 1,200, in professional/business services; and 3.3 percent, or 1,000, in miscellaneous services. There also were additions of 600 in trade/transportation and 100 in finance. This period’s losses were 3.0 percent, or 1,400, in manufacturing and 100 in information.
- **Virginia Beach-Norfolk-Newport News, Virginia/North Carolina**—up 1.4 percent, or 10,300, to 748,600. The Hampton Roads area’s best gains were 9.1 percent, or 4,300, in construction; 1.6 percent, or 2,200, in trade/transportation; 1.8 percent, or 1,500, in private education/health care; and 2.0 percent, or 1,200, in manufacturing. There were smaller increases of 900 in professional/business services; 700 in miscellaneous services; 500 in total government; and 300 in finance. There were losses of 7.6 percent, or 1,200 in information and 100 in leisure/hospitality.
- **Lynchburg**—up 0.2 percent, or 200, to 102,100. There were increases of 400 in leisure/hospitality, 300 in trade/transportation, and 200 each in professional/business services and manufacturing; but losses of 900 in the nondisclosable service-providing sectors cancelled most of these out.
- **Danville**—down 0.9 percent, or 400, to 43,500. Danville was the only Virginia metropolitan area to show a net job loss this period. The loss was due to reductions of 12.2 percent, or 1,400, in manufacturing and 100 in construction. There were gains of 500 in private education/health care, 100 each in trade/transportation and total government, and 400 in the nondisclosable service-providing industries.